



California Energy Commission



**APPLICATION TO THE  
UNITED STATES  
DEPARTMENT OF ENERGY  
STATE ENERGY PROGRAM**

MAY 2009

American Recovery and Reinvestment Act 2009



**U.S. Department of Energy  
State Energy Program (SEP) Narrative Information Worksheet**

**(Grant Number: DE-EE0000221)**

**State Title:** *Green Jobs Training Program*

**1. Market:** Energy Education

**2. State:** CA

**3. Program Year:** 2009 **Term:** 4/1/2009 – 3/31/2012

**4. Topics Involved in the Overall Program Market:**  
Alternative Fuels; Appliance Efficiency and Standards; Combined Heat and Power; Commercial Buildings; Curriculum Development; Demand Reduction; Distributed Energy Generation; Energy Building Codes; Energy and Environment; Federal, State, and Local Facilities; General Energy Efficiency for Industry; Green Power Programs; Industrial Processing; Lighting; Low-Income Weatherization; Motors and Other Industrial Systems; Procurement of Efficient Products; Public Information; Residential Buildings; Solar Power; Water Systems; Wind Energy.

**5. Estimated Annual Energy Savings:** 0 MMBtu

**6. Description:**

**Background:**

The California Energy Commission's mission is to act through public/private partnerships to improve energy systems that promote a strong economy and a healthy environment. In order for the State to utilize ARRA energy-related funding effectively and to ensure it carries out its mission, the Energy Commission will work with public, private and nonprofit partners to develop a comprehensive, sustainable green workforce development program for California. Development of this program, which will be the largest in the country, will accomplish the goals of ARRA as well as the State's goals for increasing energy and water efficiency and access to clean energy sources in California.

The green workforce development program is particularly important in California, which has the largest economy in the nation and an unemployment rate of more than 11 percent—one of the highest rates in the nation. In some of the regions that will be targeted, unemployment rates are as high as 25%. The Energy Commission's green workforce program will benefit California's hardest hit sector, construction, in which employment is down a staggering 18.2 percent over the past year (Source: California Employment Development Department, Labor Market Information Division). The Energy Commission's program will successfully put Californians back to work, revitalize



business, and begin to educate our next generation of workers for the clean energy jobs of the future.

**Description:**

The Energy Commission is well positioned to collaborate with public, private and nonprofit partners, including state and local agencies, education, community and labor organizations and industry to develop a green workforce development program for California. In developing this program, the Energy Commission will build on its current state workforce development plan for alternate fuels and advanced vehicle technology under the Alternative and Renewable Fuel and Vehicle Technology Program (Nunez, Statutes of 2007, Chapter 750). The Energy Commission is investing \$15 million through June 30, 2012, in building a workforce to meet alternative fuel and advanced vehicle technology needs. The Energy Commission will expand on this plan and will leverage existing partnerships with \$20 million in ARRA funding to create a more extensive green workforce focused on energy efficiency and clean energy sources, including wind and solar energy. The Energy Commission is collaborating with several state agencies, the State's community college system and local workforce investment boards to execute this plan.

In addition, the Energy Commission currently collaborates with a statewide consortium of leaders in education, workforce development and business on the Green Collar Jobs Council, which is tasked with developing a comprehensive green workforce development strategy for California. The Council was established by the Green Collar Jobs Act of 2008 (Nunez, Statutes of 2008, Chapter 312). The plan will be based on an industry sector strategy developed by the California Economic Strategy Panel, the entity established to develop a statewide public policy strategy for economic growth. The panel identified "clean and green technology" as one of the nine focus industry sectors in California's economy, with energy as the most significant field in this sector.

The Energy Commission will maximize participation in these existing structures to create a green workforce development program for California that is not only comprehensive, but is one that can be sustainable beyond the termination of ARRA funding in March 2012. Planned partners include the following:

**State Agencies**

- The California Labor and Workforce Development Agency (LWDA), which coordinates labor and employment programs for workers and businesses. The LWDA oversees the California Economic Strategy Panel, California Employment Development Department, California Workforce Investment Board, Department of Industrial Relations, and Employment Training Panel, among other entities.
- The Department of Education, which oversees California's education system and works with the State Division of Apprenticeship Standards and the California Apprenticeship Council to support apprenticeship programs through adult schools and the Regional Occupational Centers and Program (ROCP). The department also oversees technology partnership academies for high school students and supports the development of a career pipeline for K-12 students.



- The California Community Colleges System provides an array of clean energy technology and related technical education, assistance and outreach programs throughout California. Training comprises consistent, replicable curricula, services, and programs tailored to the needs of employers and employees in each region of California. The system includes the Center of Excellence and the Advanced Transportation Technology and Energy Initiative, a dedicated workforce development initiative. The colleges also provide training for trainers.
- The Department of Community Services and Development, which is responsible for administering \$185.6 million in ARRA funding for the Weatherization Assistance Program for low-income and elderly residents. This agency runs a long-standing home assessment and retrofit training program to ensure the State has a sufficiently trained weatherization workforce.

### ***Local Agencies***

Through the 49 local workforce investment areas, regional “one-stop centers” provide assessment, training, and placement services for job seekers and business in throughout the state. These local agencies have long-established, successful relationships with state agencies, local government and civic leaders, economic development agencies, K-12 education, labor and community organizations, community colleges, small business development organizations, and business to provide integrated service delivery. The Energy Commission’s program will utilize this existing infrastructure to provide dislocated and incumbent construction workers and youth entering the workforce with soft skill support as well as technical training. The Energy Commission may work with the 538 local building departments to develop local actions to pursue the Governor’s ARRA assurance to achieve strong compliance with the California Building Energy Efficiency Standards.

### ***Labor, Industry and Community Organizations***

Through the Green Collar Jobs Council and the Alternative and Renewable Fuel and Vehicle Technology Program, partnerships with state and local agencies, collaborations with organizations will provide outreach and recruiting, curriculum development and delivery and job placement efforts to the Energy Commissions program. Just a few representative examples of organizations that will serve as partners in the Energy Commission’s program include the California Labor Federation, which represents 1,200 unions and 2.1 million union members; the California Building Performance Contractors Association, which represents California’s green home energy upgrade contractors and the California Solar Energy Industries Association.

### ***Utilities***

Each of the State’s investor-owned utilities operate an energy training center that provides education and workforce development in a wide variety of energy areas, ranging from solar and efficiency retrofits to policy and planning. The State’s municipal utilities also provide robust training and education services for ratepayers and contractors in their districts. The Energy Commission’s program will fund partnerships that utilize the State’s utility training infrastructure.



**Goals and Objectives:**

The goal of the green workforce development program is to create a sustainable clean energy workforce, put Californians back to work and begin to educate our next generation of workers for the clean energy jobs of the future. The Energy Commission will build a statewide program that will focus on dislocated workers, particularly construction workers; reskilling incumbent workers to prepare for the clean energy economy; and youth entering the workforce.

*Build and leverage partnerships:* Collaborations with other State agencies, the community colleges through existing mechanisms, such as interagency agreements will create the infrastructure for the workforce development program. It will also facilitate collaborations with local workforce investment areas and the stakeholders enumerated above so California can leverage its existing resources to provide wraparound services for employers and employees.

*Identify workforce needs:* Using existing mechanisms established through the LWDA, labor organizations, business and other stakeholders will identify industry needs, training needs for workers, and those regions most in need of assistance. This information will provide valuable guidance for other agencies and States that are considering starting a green workforce program.

*Provide training:* Through partnerships with state, local and educational agencies, labor and community organizations and industry, necessary training that meets both employee and business needs will be identified, developed or expanded. These programs will be diverse and will include pre-apprenticeship, apprenticeship and journeyman-level programs focused on energy efficiency and renewable energy (e.g., wind and solar energy).

*Placement and retention:* Building a comprehensive workforce development program with input from all stakeholders that supports industry needs will ensure placement and retention of workers.

*Performance measures:* Data collection provided by state and local workforce and employment agencies, and the community colleges will facilitate maintenance of performance measures.

*Sustainability:* While ARRA funding is needed to launch such a comprehensive program, by partnering with these entities and expanding on existing programs and structures, this green workforce development program will be sustainable for many years into the future.

<b>7. Milestones</b>	<b>Planned Number</b>
1. Execute Interagency Agreement with state agencies.	2
2. Issue competitive solicitations for local green job training programs	1
3. Award funding to winning entities.	15



- |    |   |    |
|----|---|----|
| 4. | Develop or expand existing curricula, services and programs, including pre-apprenticeships and apprenticeships. | 15 |
| 5. | Provide technical education, assistance and outreach programs.  | 15 |
| 6. | Implement green job training programs.  | 15 |

**8. Standard Metrics (required):**

Jobs Created: 217

Jobs Retained: 0

**9. Specific Metric Activity (required) – Category: Building Retrofits**

Number of workshops, training and education sessions held: 600

Number of people attending workshops, training, and education sessions: 12,000

**10. User Specific Metrics (optional)**

None.

**11. Program Year Funds by Source:**

DOE ARRA Funds	\$20,000,000.00
State Funds	\$0.00
Other Matching Funds	\$0.00
Leveraged Funds Anticipated	\$0.00



**U.S. Department of Energy  
State Energy Program (SEP) Narrative Information Worksheet**

**(Grant Number: DE-EE0000221)**

**State Title:**           ***Energy Efficiency Retrofits and Clean Energy Systems in the Residential, Non-residential and Industrial Sectors***

**1.     Market:**       Buildings

**2.     State:**        CA

**3.     Program Year:**   2009                   **Term:** 4/1/2009 – 3/31/2012

**4.     Topics Involved in the Overall Program Market:**  
Combined Heat and Power; Commercial Buildings; Demand Reduction;  
Distributed Energy Generation; Energy and Environment; Federal, State, and  
Local Facilities; Financing Energy Programs; General Energy Efficiency for  
Industry; Industrial Processing; Lighting; Motors and Other Industrial Systems;  
Procurement of Efficient Products; Residential Buildings; Solar Power.

**5.     Estimated Annual Energy Savings:**   2,737,693 MMBtu

**6.     Description:**

**Background:**

California does not currently have an effective, robust home energy retrofit industry to improve the 13 million residential dwelling units in the State. Seventy-five percent of these homes were built before California's second generation residential energy standards went into effect. Also, more than 50 percent of the current commercial building floorspace in California was built prior to adoption of the first commercial building standards. This program will provide funding to implement a statewide residential and commercial energy efficiency retrofit program and the development of cost effective clean energy systems. The Energy Commission is coordinating with the California Public Utilities Commission (CPUC), Community Services Development (CSD) Department, utilities, local governments, public and private sector providers of home energy ratings, building performance contracting, benchmarking, retro-commissioning and energy audits. The Energy Commission is also working with the energy retrofit industry to design a program that will overcome the market barriers that have prevented the development of these industries in California. The program will build on the existing low income energy efficiency and weatherization programs that have been successful in California since the 1980s.

California has a Home Energy Rating System (HERS) program and other performance-type rating programs that establish consistent methods for conducting energy audits and



evaluations that are designed to meet the energy and demand savings in California while facilitating coordination with national programs, such as federal tax credits, energy efficient financing and Home Performance with Energy Star.

Current and proposed California laws allow local jurisdictions to establish programs in which funds for efficiency and renewable projects are loaned by local governments to commercial building and home owners. The building owner repays the loan through property tax assessments, so that the benefit and the obligation to repay the loan stays with the building owner as the building is sold. Many local governments are interested in implementing such a loan program in their community but lack seed money for developing the administrative mechanisms and funding for the initial round of loans. Local governments currently face a difficult finance and bond market and these programs offer alternative efficiency financing mechanisms.

The potential of energy efficiency upgrades and renewable energy installations in commercial and residential buildings is quite large. California has in excess of 6,580 million square feet of commercial building space and 12.4 million households (18,389 million square feet). Combined energy use from these sectors is approximately 206,000 gigawatt-hours (GWh) of electricity and 7 billion therms of natural gas annually.

California's industrial sector consumes 50,000 GWh of electricity and over 6 billion therms of natural gas each year. This represents 19 percent of the state's total electricity and 47 percent of its natural gas consumption.

The State of California also owns over 16,000 building structures grouped at over 1,550 locations. A total of over 100 million square feet. The majority were built between 1950 and 1980 and collectively comprise significant opportunities for energy efficient retrofits. These buildings range in age from nearly new to over 100 years old, and facilities annually consume over 1.2 billion kWh of electricity and 59 million therms of natural gas. These facilities have the potential to annually save over 240 million kWh and over 1 million therms. Virtually all could benefit from an energy audit and possible retrofits.

Potential energy efficiency projects and clean energy systems that may be initiated under this state facility portion of this program include HVAC and lighting upgrades, improved control technologies, building systems optimization (retro-commissioning), and implementation of plug load reduction measures for data center and office equipment.

Since California small businesses are the leaders in creating jobs in California, special emphasis will be placed on utilizing and targeting small business for energy efficiency retrofits in the implementation of this program measure.

Public education on the benefits and value of energy efficiency continues to be a barrier to full and effective implementation of energy efficiency programs. An effective education, marketing and outreach effort may be necessary to ensure the program achieves the maximum potential benefits in terms of energy savings, greenhouse gas reductions, and programmatic momentum and sustainability into the future.



Various state departments have management and oversight responsibilities of state-owned facilities, including, but not limited to, the Department of General Services (DGS), the Department of Parks and Recreation, the California Highway Patrol, and the Department of Corrections and Rehabilitation.

**Description:**

Program funding would be leveraged to provide a statewide energy efficiency retrofit program and cost effective clean energy systems (including combined heat and power systems) for residential, commercial, and industrial buildings and facilities. The program would further enable the state to also address climate change and greenhouse gas emission reductions goals articulated under The California Global Warming Solutions Act of 2006 (Assembly Bill 32, Chapter 488, Statutes of 2006) while providing jobs for many economically depressed areas of the state. This program will help address the state energy and environmental mandates such as the Green Building Initiative; the California BioEnergy Plan to reduce the impacts of bioenergy waste disposal and conversion to useful energy such as pipeline quality biogas; and the 20 percent renewable energy generation requirement by 2010. The program will also help address state energy policies and goals identified in the Energy Commission's Integrated Energy Policy Report.

- This program may provide a revolving loan fund for state departments and local jurisdictions to start (or augment) loan programs for their residents and businesses. The following is one possible example of a program design that can be utilized under this effort:
  - Loans may be made to state departments and local jurisdictions to capitalize their loan programs for building owner efficiency and renewable energy projects.
  - Buildings would be required to be made as energy efficient as possible before installing renewable generation.
  - Private building owners would pay their loans back in property tax bills or some other mechanism.
  - The revolving loan program to state departments and local jurisdictions would allow the State to leverage additional funds through bond financing based on the cash flow from the loans issued.
  - Bond proceeds could then continue to be used to provide assistance to additional state departments and local jurisdictions to implementing similar activities.

Local jurisdictions receiving direct funding under the Energy Efficiency and Conservation Block Grant (EECBG) program could utilize EECBG funds in conjunction with the loan funds received under this program to implement these types of programs.



Potential energy savings projects that may be initiated under this program for residential buildings include, but are not limited to: energy audits/home energy ratings, insulation, building envelope sealing and improvements, duct sealing, correction of HVAC refrigerant charge and airflow, and water heating and water saving measures. Potential energy saving projects for commercial buildings may include, but are not limited to: benchmarking, retro-commissioning, energy auditing and energy performance rating and labeling, and efficiency and control retrofits to lighting, HVAC, and water heating systems, and process equipment (such as refrigeration systems, motor/pump systems, food service equipment). Potential energy savings within the industrial sector may be realized through retrofit or installation of new equipment such as, but not limited to: boilers, process heating equipment, and compressed air systems which may include such things as waste heat recovery and improvement to combustion system efficiency, insulation, and system controls.

- California may augment its existing Energy Conservation and Assistance Account (ECAA) program which provides low-interest loans for energy efficiency and renewable energy retrofits to eligible state departments and local jurisdictions, schools and hospitals. Funding may also be utilized to provide grant funds for eligible projects in conjunction with an ECAA low-interest loan.
- The revolving loan funding may be used to implement efficiency measures identified by state agencies responsible for the management and oversight of the facilities. For example, DGS has identified numerous energy efficiency retrofit opportunities in their 5-year Facility Upgrade and Modernization Plan. The ARRA funds will be sufficient to fund energy efficiency measures with a 1-year to 5-year payback. Each funded project is expected to save from 20 to 75 million British Thermal Units (Btus) per \$1,000 spent. Combined, these projects are estimated to save 39 million Btus for each \$1,000 of ARRA funds. A total of 31 buildings totaling 14.2 million square feet are initially anticipated to receive retrofit measures.

Revenue saved by implementing these efficiency measures may be used to provide an ongoing source of revenue to continue implementing additional cost-effective efficiency measures. These additional measures will have a longer payback period and lower cost-effectiveness. If this program is established as a revolving loan program, this will ensure that the State can both implement the program quickly and benefit from the funding over a longer period of time as the Fund is repaid through utility bill savings. The program could be leveraged with utility incentive funds and private sector funding to maximize the use of the funds and implement cost-effective efficiency measures more quickly if these additional funds can be obtained.

- California may develop and implement a public education, marketing, and outreach effort to ensure the benefits and value of energy efficiency are well



understood. This effort may be directed at one or more of the targeted sectors of this program.

This program may require the Energy Commission to enter into a contractual agreements with third party entities (such as utilities, local governments and/or private sector contractors) to provide grants and/or loans for energy efficiency projects. In addition, portions of this program may be administered through one or more interagency agreements with appropriate California state agencies.

**Goals and Objectives:**

The goals and objectives of this program may include, but are not limited to:

- Implementation of integration efforts between existing low income home energy efficiency, weatherization, utility incentives, state and federal tax incentives and ARRA funds.
- Implementation of a whole neighborhood approach that uses demographic and utility data and information to target and aggressively market the program to all of the eligible units on a neighborhood by neighborhood basis.
- Implementation of HERS and other performance-type rating programs, commercial benchmarking and retro-commissioning programs, and extending California law and programs as primary tools for achieving energy efficiency improvements while coordinating with Home Performance with Energy Star, federal tax credits, energy efficiency mortgages, and other national programs.
- Expansion of program service delivery to homeowners with incomes too high to qualify for low income programs but too low to make major energy efficiency home improvements without assistance.
- Achievement of a greater penetration of energy efficiency and clean energy systems in participating homes and businesses than has been achieved through existing programs.
- Creation of a sustainable residential and non-residential energy retrofit industry and workforce, including professionals in the energy efficiency performance rating and labeling of buildings and building contractors, clean energy systems contractors, and other installers.
- Creation of demand for the evaluation of energy performance within the residential and commercial real estate markets.
- Providing necessary capital to cities and counties within California to develop and implement revolving loan programs to residential, commercial, and industrial building owners for energy efficiency and renewable energy projects.



- Providing necessary capital via revolving loan and/or grant programs to the industrial sector for implementing energy efficiency and clean energy system technology projects.
- Funding the installation of cost effective clean energy systems and energy efficiency retrofit projects.
- Provide public education, marketing and outreach to convey the benefits and value of energy efficiency.

<b>7. Milestones</b>	<b>Planned Number</b>
1. Develop Program Guidelines and/or Regulations	1
2. Develop and Issue Funding Solicitation(s)	3
3. Develop and Execute Third-Party Administrator Agreement(s)	10
4. Develop and Execute Funding Agreements	154
5. Implement and Monitor Energy Efficiency Retrofit Projects	181
6. Prepare and Submit Project Final Reports	181
7. Develop Public Education, Marketing and Outreach Strategy	1
8. Implement Public Education, Marketing and Outreach (ongoing)	8
9. Prepare and Submit Program Final Administrative Report	1

#### **8. Standard Metrics (required):**

Jobs Created: 2,129

Jobs Retained: 0

#### **9. Specific Metric Activity (required)**

##### **Metric Activity: Building Retrofits**

Number of Dwellings Retrofitted -- Residential: 29,412 dwelling units

Square Footage of Buildings Retrofitted -- Residential: 50 million square feet

Number of Buildings Retrofitted -- Commercial: 5,563 buildings

Square Footage of Buildings Retrofitted -- Commercial: 69.5 million square feet



**10. User Specific Metrics (optional)****Metric Activity: Industrial Process Efficiency**

Reduction in natural gas consumption (mmcf): 768  
Reduction in fuel oil consumption (gallons): Negligible  
Reduction in electricity consumption (MWh): 9,856

- \* According to section 9.5, the SEP program can include industrial processes within industrial facilities. This program may cover, but will not be limited to, the following industries: food processing, steel, aluminum, glass, metal casting and paper.

**11. Program Year Funds by Source:**

DOE ARRA Funds	\$195,836,941.00
State Funds	\$0.00
Other Matching Funds	\$0.00
Leveraged Funds Anticipated	\$0.00



**U.S. Department of Energy  
State Energy Program (SEP) Narrative Information Worksheet**

**(Grant Number: DE-EE0000221)**

**State Title:** *Program Implementation and Delivery*

1. **Market:** Buildings
2. **State:** CA
3. **Program Year:** 2009 **Term:** 4/1/2009 – 3/31/2012
4. **Topics Involved in the Overall Program Market:**  
Combined Heat and Power; Commercial Buildings; Demand Reduction;  
Distributed Energy Generation; Energy and Environment; Federal, State, and  
Local Facilities; Financing Energy Programs; Industrial Processing; Lighting; Low-  
Income Weatherization; Procurement of Efficient Products; Residential Buildings;  
Solar Power.
5. **Estimated Annual Energy Savings:** 0 MMBtu
6. **Description:**

**Background:**

The California Energy Commission (Energy Commission) has the sole responsibility of administering the American Recovery and Reinvestment Act (ARRA) funded State Energy Program (SEP) for the State of California amounting to \$226,093,000. The Energy Commission will be issuing funding solicitations and awarding contracts, grants, and loans to provide funding, technical support, and monitoring, verification, and evaluation for SEP ARRA funded projects. The Energy Commission has to ensure that the SEP programs are developed, implemented, and monitored consistent with the ARRA and SEP rules and regulations and the State of California statutes. The Energy Commission must also ensure that proper reporting of program accomplishments and fiscal information is provided to the U.S. Department of Energy (DOE).

**Description:**

To implement the programs with the SEP ARRA funding, the Energy Commission has identified additional resource needs in terms of additional staff, technical support contract(s), and travel expenses which are necessary to meet the requirements of the SEP ARRA funding. These activities have been grouped together into one program measure to ensure maximum flexibility in administering the overall SEP ARRA funding. As such, the Energy Commission plans to:



- Hire additional staff to assist in the implementation and coordination efforts of the ARRA SEP. As mentioned in the Budget Justification file included in this application package, this will include nine 2-year limited term personnel whose responsibilities include, but are not limited to, the following:
  - Conducting outreach and marketing to designated eligible organizations;
  - Providing technical support and guidance to applicants to maximize and ensure that projects are reasonable and cost effective;
  - Coordinating monitoring, verification and evaluation efforts to quantify energy consumption, energy savings, jobs created/retained, etc.;
  - Verification activities to ensure that the funding being used as intended and that project installation is proceeding at an acceptable schedule; and
  - Processing the individual applications, coordinating with DOE and the California State Controller's Office to issue awards and process payments;
  - Managing contracts, grants and loans that are executed through this effort.
- Obtain technical support services to assist the Energy Commission with various functions including, but not limited to, the following:
  - Architectural and engineering consulting services to support SEP authorized and approved projects by identifying potential energy efficiency measures that will reduce greenhouse gas emissions;
  - Assistance to sub-recipients in the implementation of the energy efficiency projects;
  - Outreach and program support;
  - Project metric tracking and reporting;
  - Administrative support;
  - Assistance with overall program evaluation, feedback, and fraud detection;
  - Monitoring, verification, and evaluation (MVE) activities.
  - Program design and consultation (including AB 811-type programs) on various issues including, but not limited to: legal advice, bond financing, other financial/administrative issues as required.
- Travel to various locations within California and the United States for purposes including, but not limited to, the following:
  - Selecting Projects
  - Providing Technical Assistance
  - Monitoring, Evaluating, and Verifying Projects
  - Program Marketing and Outreach
  - Troubleshooting Issues with Subrecipients
  - Presenting Reports at Meetings, Conferences, Symposia, etc.



**Goals and Objectives:**

The goals and objectives of this program may include, but are not limited to:

- Provide maximum flexibility with required administrative expenses to ensure that the SEP ARRA funds are expended expeditiously, effectively, and efficiently.
- Program development and implementation.
- Project monitoring, verification, and evaluation.
- Program tracking and reporting.

<b>7. Milestones</b>	<b>Planned Number</b>
1. Hire additional Energy Commission staff	9
2. Perform Program marketing and outreach (ongoing quarterly activity)	12
3. Develop document streamlining administrative procedures	1
4. Negotiate, prepare, review, execute technical support contracts	3
5. Create Subrecipient Tracking and Reporting System	1
6. Evaluate and verify SEP projects	100
7. Prepare and submit quarterly progress reports	12
8. Prepare and submit SEP ARRA Annual Reports	3
9. Prepare and submit final administrative report	1

**8. Standard Metrics (required):**

Jobs Created: 111

Jobs Retained: 0

**9. Specific Metric Activity (required) – Category: None**

None.

**10. User Specific Metrics (optional)**

None.

**11. Program Year Funds by Source:**

DOE ARRA Funds	\$10,256,059
State Funds	\$0.00
Other Matching Funds	\$0.00
Leveraged Funds Anticipated	\$0.00



## **Governor Assurances**

### **Alignment of Utility Financial Incentives**

The California Public Utilities Commission (CPUC) currently has policies and procedures to promote energy efficiency, consistent with the federal statutory language contained in H.R. 1 and their obligations to maintain just and reasonable rates, while protecting the public. The CPUC continues to regulate investor-owned utilities within the state in a way that ensures that utility financial incentives are aligned with helping their customers use energy more efficiently, while providing timely cost recovery and earnings opportunity for utilities associated with cost-effective measurable and verifiable efficiency savings in a way that sustains or enhances utility customers' incentives to use energy more efficiently.

### **Excellent Compliance with the State's Advanced Building Energy Code**

The State of California, through the California Energy Commission, currently has residential and commercial building codes in place that include some of the strictest energy efficiency standards in the nation. The 2008 Title 24 Building Energy Efficiency Standards (Standards) was adopted on April 23, 2008 and will be effective on August 1, 2009. The Standards are approaching 30 percent above both the ASHRAE 90.1-2004 and the 2006 International Energy Conservation Code standards. In addition, the California Energy Commission is on course to achieve zero net energy buildings through its Standards by 2020 for residential buildings and by 2030 for nonresidential buildings. California's efficiency requirements significantly exceed the national consensus standards specified in the ARRA.

California is committed to implementing a plan for achieving compliance with these Standards in at least 90 percent of all newly constructed buildings and all additions and alterations to existing buildings that are subject to these standards within eight years of the enactment date of this Act. This plan will include training and enforcement programs and measurement of the rate of compliance.

### **Prioritization of Programs/Projects**

In accordance with the California's SEP Comprehensive Application, approximately 87% of the funds are directed at energy efficiency retrofit activities for State-owned facilities, residential buildings, commercial buildings, and industrial facilities within the state. An additional 9% of the SEP funds will be directed towards the training and development of a green-collar workforce which is critical to ensure the necessary human resources and expertise are available to implement energy efficiency projects now and into the future.

As SEP-funded programs continue to be developed and refined over the next few months, and funding decisions finalized, the Energy Commission will continue to prioritize efforts, to the greatest extent practical, SEP-funded programs and projects towards energy efficiency and renewable energy programs.